



**Frederick County
Government
Frederick, Maryland**

News Release

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FOR IMMEDIATE RELEASE:

June 6, 2013

COUNTY COMMISSIONERS ADOPT FY2014 OPERATING BUDGET & FY2014-2019 CAPITAL IMPROVEMENTS PROGRAM

FREDERICK, MD – The Frederick Board of County Commissioners today approved the [Operating Budget](#) of approximately \$516 million for the fiscal year from July 1, 2013, to June 30, 2014. The board also approved the Capital Budget of approximately \$69 million for the funding of projects and the fiscal year 2014 – 2019 Capital Improvements Program of approximately \$555 million.

Board President Blaine Young commented, “With today’s adoption of the budget for Frederick County Government, the Board of County Commissioners moved closer to achieving the goal for which we were elected by the voters – to put our financial house in order by reducing the reach of local government while at the same time maintaining core functions and services for our citizens. We have faced many challenges head on and have not wavered when it came to making tough decisions, which we feel will provide a good financial foundation for the incoming new charter government. The budget and Capital Improvements Program we approved represent careful planning for the future of our county, and are an even distribution of the funds at hand while also addressing the structural deficit we have faced.

“With the help of our County Manager, Budget Committee and division directors, we have approved an operating budget that required very difficult decisions and thorough evaluation and reductions in every county department. Additionally, we were forced to prepare for the possibility of state cutbacks and the effects of sequestration.

“In spite of all the economic challenges, the board provided funding at the ‘maintenance of effort’ amount required by state law and showed our support for education by moving school construction projects up in the Capital Improvements Program and funding other school priorities.

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“Our commitment to our dedicated Frederick County Government employees is also represented in the budget and we want to thank them for continuing to be productive and efficient in light of our countywide belt-tightening with reorganizations and the consolidation of operations.

“The future is looking brighter for Frederick County based on our decisions to provide tax and regulatory relief for our taxpayers, emphasis on jobs and employment, business-friendly strategic goals, financial decisions that have been affirmed by the excellent ratings by the municipal rating agencies in New York City, senior tax credits, reductions in permits and fees, cooperative work with our municipalities and many other strategic plan accomplishments since this board came into office. But, the job isn’t done yet and we continue to welcome feedback as we look to make some final adjustments in the next year or so and fulfill our commitment to the outstanding citizens of this county.”

A key element of the approved budget is that the board addressed the catastrophic issues in the fire tax fund by consolidating the Fire Tax District expenses into the General Fund. The result was a recalibrated property tax rate of \$1.064, which is the sum of the \$.936 property tax rate and the \$.128 Urban Fire Tax Rate.

An overview of the adopted FY2014 Operating Budget is as follows:

- Restored Frederick Community College one-time funding in FY2013 of \$500,000.
- Funded Board of Education (BOE) “maintenance of effort” at approximately \$229 million, including the teachers’ pension cost of approximately \$7 million.
- Provided \$10.8 million of in-kind educational services.
- Included department reductions of \$2 million and elimination of vacant positions for \$1 million in savings. Since 2009, the county workforce has been reduced by 432 positions. There are currently 2,111 filled positions.
- Included reductions of \$750,000 in fleet service charges.
- Added a \$1 million cash influx to improve the county pension plan, which is projected to be funded by 91 percent by 2017.
- Fully funded the annual required contribution for Other Post-Employment Benefits (retiree health benefits).
- Provided an additional volunteer fire and rescue funding incentive in the amount of almost \$700,000.
- Included a one percent employee cost-of-living allowance and a step merit (3.5 percent) for Frederick County Government employees.
- Included a \$1.6 million transfer from the Impact Fee Fund to the General Fund for library debt service.
- Included a Housing Initiative Fund: \$150,000 allocated for a shelter agreement with the Citizens Services Division – Frederick Community Action Agency (\$75,000), Religious Coalition for Emergency Human Needs (\$40,000), Advocates for the Homeless (\$20,000) and Bridge of Hope (formerly Hope Alive) (\$15,000).

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- Provided community service initiatives: Daybreak Adult Day Services (\$13,870), counseling and system navigation (\$76,157), Religious Coalition for Emergency Human Needs for pharmacy and shelter matters (\$40,980), and Villa Maria/Associated Catholic Charities (\$7,704) for a total of \$138,711.

The Operating Budget also contains over [\\$36 million in funding for those in need](#), including seniors, TransIT riders, job seekers, persons seeking health services, families and children, those with disabilities and many others with special needs. A total of \$19.9 million is funded by Frederick County taxpayers (representing four percent of the budget) and \$16.7 million is provided from state and federal funding.

Highlights of the approved FY2014 Capital Budget include:

- Kept on track funding for construction of West Frederick Intersection Improvements, rehabilitation of the Lewistown Road Bridge, construction of North Frederick Elementary School and design of the Frederick High School Replacement.
- Provided construction funding for four new projects related to safety/security issues – Adult Detention Center Door Control Upgrade, Water System Security via Video Surveillance, Landfill Backup Power, and Parks Building Demolition.
- Moved forward the design of the new Urbana Area Elementary School project to FY2014.
- Recognized \$19 million from the state for BOE projects.
- Increased funding for BOE projects by \$175,000 to match state funds.
- Increased the General Fund contribution to the Capital Projects fund by \$3.1 million, designated for BOE projects (\$1.6 million for school bus radios, \$700,000 for a local match state security grant, \$172,000 for the Liberty Elementary School chiller, \$160,000 for the Brunswick High School HVAC and \$468,000 for technology initiatives).

Highlights of the approved FY2014-2019 Capital Improvements Program include:

- Moved forward site work and pre-construction work for the new Urbana Area Elementary School project to FY2016 and the equipment funding to FY2017.
- Removed the New Market Fire and Rescue Station 15 project from the CIP due to the local volunteer fire company completion of upgrades that allows the project to be delayed.
- Replaced the existing watershed restoration projects with a new program.
- Delayed the Reichs Ford Road Phase 2 and Reels Mill Road Phase 2 projects, but moved forward the Gas House Pike project.
- Delayed the Frederick Community College Allied Health Building project in exchange for increasing the scope and moving forward the Building B Renovation project.
- Delayed the Waverley Elementary School addition one year and moved the Urbana Middle School fit-out project forward two years contingent on the receipt of developer contribution funds.

For additional information, visit www.FrederickCountyMD.gov/budget or contact Budget Officer

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